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SUBJECT: Bay Area Sustainable Communities Strategy (SCS); Review and Comments on Alternative Scenarios Report & Results (City File No. P09-019)

Dear Mr. Rapport:

For the past two years, the City of San Rafael has been tracking the Bay Area Sustainable Communities Strategy (SCS) process. Last year, when your office published the Initial Vision Scenario (IVS) outlining possible growth projections for the Bay Area in 2035, the City of San Rafael provided you feedback. In our letter to you dated May 5, 2010, we endorsed the value of regional planning for the goal of addressing climate change and reducing greenhouse gas (GHG) emissions. San Rafael has been in the forefront to address these planning issues through, among others the: a) adoption of a Climate Change Action Plan (CCAP); b) incorporation of a Sustainability Element in our San Rafael General Plan 2020; and c) adoption of a GHG Emissions Reduction Strategy. Further, these efforts have been reinforced by designating two Priority Development Areas (PDAs) within our city, which are located around two, future SMART rail stations. However, in our comments to you on the IVS, we responded that we strongly opposed the growth projections as they represented an inequity in the growth distribution of both housing and jobs in Marin, and a disproportion of the allocation of growth to San Rafael. Further, based on the IVS projections, San Rafael is expected to produce about one-half of Marin's housing growth in the next 25 years. This projected growth rate is three-times the rate that has been experienced over the past decade. In our letter, we requested that the Alternative Scenarios consider a more even distribution of housing throughout Marin County, with focus of future growth around the SMART light rail corridor.

We have had an opportunity to review and study the latest Alternative Scenarios report and results published in December 2011. In brief, while the San Rafael housing projections presented in these latest scenarios are aggressive, we are encouraged that in all scenarios, they have been reduced from the IVS projections (even by upwards of 50%). However, the jobs projections have doubled from those presented in the IVS; these projections are not only unrealistic but unsustainable for San Rafael. Our more detailed comments on the Alternative Scenarios and study results are provided as follows:

Comments on Alternative Scenarios Projections

- 2010 base year adjustments. In your report, it is noted that for three of the Alternative Scenarios, the 2010 base year estimate of jobs and housing were adjusted using the most current 2010 US Census data. Use of this data was critical in reflecting the current depressed economic conditions. A 20% office vacancy rate has been experienced in San Rafael over the past several years, which means fewer jobs. However, it is unclear how the job recovery is factored into the long-term job projections. This detail in the projections methodology needs to be clearly described.
- Little distinction in Alternative Scenarios. Interestingly, there is not much difference in the growth projections among the Constrained Core Concentration (#4), Focused Growth (#3) and Outward Growth (#5) alternative scenarios. In reviewing the description for each scenario, one would expect that the projections for San Rafael would be much lower for the Constrained Core Concentration scenario, as this scenario focuses more growth in the *inner* urban areas as compared to the other two scenarios. Under all three scenarios, San Rafael is in the *outer* urban area.

Elements of the Core Concentration Scenario (#2, unconstrained) are concerning and questionable. Specifically, the latest public draft description of this scenario includes a section entitled "game changers." This draft defines game changers as "places where capacity exists for a high level of growth and is envisioned to occur given supportive policies and resources." This draft lists Southeastern San Rafael as a "game changer." We understand that the geographic area of Southeastern San Rafael is identified as the industrial area located south of Downtown San Rafael (essentially the Woodland Avenue/Francisco Boulevard West area). This geographic area is fully developed and cannot support additional growth because of numerous constraints including limited traffic capacity. Most importantly, this area of San Rafael provides most of Marin County's needed trades services (auto repair, home improvement services and supplies, etc.), which are critical to retain for the county as a whole. Without these services, Marin residents are forced to go elsewhere (outside of Marin County) to get these service needs met, which is not sustainable. Our San Rafael General Plan 2020 has very clear policies that promote the preservation and protection of the industrial uses because of their critical service to the Marin County. For these reasons, the City of San Rafael would strongly oppose any substantial growth or planned land use changes for this area.

- Jobs are not clearly defined and are grossly inflated. In reviewing the supportive materials describing the scenarios, there is no indication if, how or what percent of new jobs include self-employed persons that work from home, or even an expectation of job growth for existing, established businesses (which, under current economic conditions many have downsized). In communications with your staff, we were informed that ABAG defines jobs to include both full- and part-time employment of wage and salary workers, plus self-employed persons. We were also informed that jobs are projected by place-of-work, not place-of-residence. So, if one were to conservatively look at the jobs projections solely being accommodated by new development, a conversion of jobs to building area needs to be logically considered. If a job equates to an average of 275 square feet of building area, the job projections for San Rafael could equate to upwards of 3.7 million square feet of additional commercial building area. This amount of commercial building area development in a fully-developed community is unrealistic.

Even if we were to account for a reasonable percentage of work-from-home jobs and infill of jobs with now-vacant office/retail space the job projections are far more than those planned by our San Rafael General Plan 2020. In summary, we find the jobs projections to be grossly inflated and are much greater than the job growth experienced between 1995 and 2010.

- Increase in Marin job projections is puzzling. It is unclear why the job projections *increased* in Marin under all three scenarios as compared to the IVS projections (upwards of 50% for San Rafael), while the job projections for these alternatives *decreased* by 19% for the Bay Area region. In fact, many of the job-center counties and cities that can sustainably support more jobs have *decreased* by upwards of 30%. Further, San Rafael is shown to have the highest projections for job growth as compared to the rest of Marin. San Rafael presently provides the bulk of employment for Marin County and the future job growth should be more evenly distributed throughout the county.
- Comparison of Marin housing projections to region. Under all Alternative Scenarios, the housing growth for Marin County is projected to be a 10% increase by 2040. By comparison, a 34% housing growth is projected for the Bay Area region (all counties combined) by 2040. The total projected households for Marin is a reasonable proportion of the growth being planned for the Bay Area. This proportion is reinforced by the fact that Marin County is home to national and state parks and recreation areas, as well as a substantial network of preserved agricultural lands.
- Housing projections reduced and re-distributed. For three alternative scenarios, the housing projections for San Rafael have been significantly reduced (down by a range of 20-50%) from those presented in the IVS (except for Civic Center PDA). It is acknowledged that the housing growth projections for these alternatives are more evenly distributed throughout the Marin County. Thank you for responding to our IVS comments regarding the re-distribution.
- Projections for San Rafael PDA's. The projections for the two, San Rafael PDA's still represent an inequity of growth distribution both in jobs and housing. San Rafael made a conscious decision when designating these PDA's that they would be areas that are suitable for higher densities/intensities because of access to SMART rail service. We understand that if the City were to consider withdrawing/dropping the PDA designations, it would not significantly change either the housing or the jobs projections for San Rafael or Marin County. However, the jobs and housing projections for the PDA's should be further reduced and redistributed so that there is a more equitable and even distribution of this projected growth along the SMART rail corridor throughout Marin County.

While the alternative scenarios show substantial reductions in the housing projections from the IVS projections, this adjustment is offset by the unrealistic jobs projections. San Rafael does not have the adequate transportation infrastructure to support the collective housing and job projection numbers. Even though San Rafael has chosen to designate two PDA's, the projection numbers are clearly impractical and inequitable.

Comments on Study Results for Alternative Scenarios

In reviewing the study results, it is interesting to find that some of the SCS goal targets would not be reached by any of the Alternative Scenarios. Specifically, the target goals of reducing vehicle miles traveled (per person), CO₂ emissions from cars/light trucks, and GHG emissions by 2035 would not be reached. In this study, it is stated that since certain target goals would not be reached, the SCS process will need to look at other measures to meet these targets. Other measures could be more dramatic and/or significant, including additional adjustments to the local growth projections for housing and jobs. This conclusion is concerning as the Preferred Alternative could result in further increases or changes in the growth projections from those presented in the Alternative Scenarios. Before there is a determination to go in this direction, consideration should be given to other measures that may off-set the target goals. For example, the study reports that the target goals of achieving 100% of protection of open space and agriculture would be reached. When you are reviewing other measures to meet all of the target goals, it is important to remember and critical to consider that Marin County has and will continue to significantly contribute to the region's protection of open space and agriculture. Credit should be given to Marin County's regional contribution in reaching these targets.

We appreciate the opportunity to review and comment on the Alternative Scenarios and the study results. We will continue to monitor the SCS process and look forward to reviewing the Draft Preferred Scenario when it is completed and published and available for public review.

Sincerely,



Paul A. Jensen, AICP
Community Development Director

cc: Mayor and City Council
Planning Commission
City Manager
City Attorney
Public Works Director
Economic Development Director
Transportation Authority of Marin